



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	976 584 201
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	NEVION AS
Forretningsadresse:	Lysaker torg 5 1366 LYSAKER

Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.03.2022
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Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Jørgen Mørkved
Dato for fastsettelse av årsregnskapet:	30.09.2022

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 21.11.2022



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		309 031 372	
Sum inntekter		309 031 372	
Kostnader			
Varekostnad		139 685 851	
Lønnskostnad		127 326 300	
Avskrivning på varige driftsmidler og immaterielle eiendeler		63 641 840	
Annen driftskostnad		45 332 986	
Sum kostnader		375 986 977	
Driftsresultat		-66 955 605	
Finansinntekter og finanskostnader			
Annen finansinntekt		28 363 986	
Sum finansinntekter		28 363 986	
Annen finanskostnad		109 326 428	
Sum finanskostnader		109 326 428	
Netto finans		-80 962 442	
Ordinært resultat før skattekostnad		-147 918 047	0
Ordinært resultat etter skattekostnad		-147 918 047	0
Årsresultat		-147 918 047	0
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		-147 918 047	
Sum overføringer og disponeringer		-147 918 047	



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Forskning og utvikling		91 844 739	
Utsatt skattefordel		15 350 264	
Goodwill		3 550 595	
Sum immaterielle eiendeler		110 745 598	
Varige driftsmidler			
Maskiner og anlegg		2 004 197	
Sum varige driftsmidler		2 004 197	
Finansielle anleggsmidler			
Investering i datterselskap		1 752 468	
Sum finansielle anleggsmidler		1 752 468	
Sum anleggsmidler		114 502 263	0
Omløpsmidler			
Varer			
Varer		2 724 919	
Sum varer		2 724 919	
Fordringer			
Kundefordringer		33 236 419	
Andre fordringer		18 462 522	
Sum fordringer		51 698 941	
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		26 279 071	
Sum bankinnskudd, kontanter og lignende		26 279 071	
Sum omløpsmidler		80 702 931	0
SUM EIENDELER		195 205 194	0



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		6 953 197	
Beholdning av egne aksjer		-16 611	
Overkurs		143 468 999	
Sum innskutt egenkapital		150 405 585	
Opptjent egenkapital			
Annen egenkapital		-84 024 662	
Sum opptjent egenkapital		-84 024 662	
Sum egenkapital		66 380 923	0
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Gjeld til aksjonærer		55 051 419	
Leverandørgjeld		13 121 899	
Skyldige offentlige avgifter		4 951 447	
Annen kortsiktig gjeld		55 699 506	
Sum kortsiktig gjeld		128 824 271	
Sum gjeld		128 824 271	0
SUM EGENKAPITAL OG GJELD		195 205 194	0



Konsernets resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		355 444 053	
Sum inntekter		355 444 053	
Kostnader			
Varekostnad		122 752 419	
Lønnskostnad		175 960 531	
Avskrivning på varige driftsmidler og immaterielle eiendeler		64 495 634	
Annen driftskostnad		55 953 061	
Sum kostnader		419 161 645	
Driftsresultat		-63 717 592	
Finansinntekter og finanskostnader			
Annen finansinntekt		33 136 551	
Sum finansinntekter		33 136 551	
Annen finanskostnad		33 920 043	
Sum finanskostnader		33 920 043	
Netto finans		-783 492	
Ordinært resultat før skattekostnad		-64 501 084	0
Skattekostnad på ordinært resultat		-249 011	
Ordinært resultat etter skattekostnad		-64 252 073	0
Årsresultat		-64 252 073	0



Konsernets balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Forskning og utvikling		91 191 274	
Utsatt skattefordel		18 046 492	
Goodwill		3 550 595	
Sum immaterielle eiendeler		112 788 361	
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom		486 704	
Maskiner og anlegg		2 468 159	
Sum varige driftsmidler		2 954 863	
Sum anleggsmidler		115 743 224	0
Omløpsmidler			
Varer			
Varer		14 771 356	
Sum varer		14 771 356	
Fordringer			
Kundefordringer		39 378 190	
Andre fordringer		11 726 619	
Sum fordringer		51 104 809	
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		30 045 868	
Sum bankinnskudd, kontanter og lignende		30 045 868	
Sum omløpsmidler		95 922 033	0
SUM EIENDELER		211 665 257	0

BALANSE - EGENKAPITAL OG GJELD



Konsernets balanse

Beløp i: NOK	Note	2022	2021
Egenkapital			
Innskutt egenkapital			
Selskapskapital		6 953 197	
Beholdning av egne aksjer		-16 611	
Overkurs		143 468 999	
Sum innskutt egenkapital		150 405 585	
Opptjent egenkapital			
Annen egenkapital		-73 404 230	
Sum opptjent egenkapital		-73 404 230	
Sum egenkapital		77 001 355	0
Gjeld			
Langsiktig gjeld			
Utsatt skatt		30 623	
Sum avsetninger for forpliktelser		30 623	
Annen langsiktig gjeld			
Sum langsiktig gjeld		30 623	0
Kortsiktig gjeld			
Gjeld til aksjonærer		55 885 705	
Leverandørgjeld		18 811 196	
Betalbar skatt		2 655	
Skyldige offentlige avgifter		5 491 792	
Annen kortsiktig gjeld		54 441 931	
Sum kortsiktig gjeld		134 633 279	
Sum gjeld		134 663 902	0
SUM EGENKAPITAL OG GJELD		211 665 257	0



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Enterprise 935 174 627 MVA

Skatteetaten
Postboks 9200 Grønland
0134 OSLO

24. februar 2021

Søknad om tillatelse til å utarbeide årsregnskap og årsberetning på engelsk Nevion AS org nr. 976 584 201

I henhold til regnskapsloven § 3-4, tredje ledd søkes det på vegne av Nevion AS org nr 976 584 201 om dispensasjon til å utarbeide årsregnskap og årsberetning på engelsk.

Nevion AS er et heleid datterselskap av det japanske selskapet Sony Imaging Products & Solutions Inc., som igjen er en del av Sony Corporation-konsernet, et multinasjonalt konsern med hovedkontor i Tokyo.

Selskapet må nødvendigvis bruke engelsk for at eierne skal forstå regnskapet. Det samme gjelder for selskapets styre hvor fem av elleve er engelskspråklige, deriblant styrets leder.

Videre er alle øvrige interne brukerne av regnskapet i konsernet engelskspråklige og har behov for årsregnskapet og årsberetningen på engelsk.

Selskapet har inntil nå hvert år utarbeidet oversettelsesversjoner av årsregnskap og årsberetning på engelsk for at både eiere, datterselskap, ansatte, kunder osv. skal kunne orientere seg om selskapets regnskaper. Dette utgjør både en kostnad og et tidsforbruk for konsernet som ikke står i forhold til nytteverdien for brukerne av regnskapet. Disse forholdene taler for at dispensasjon bør gis.

Selskapet driver sin virksomhet i en internasjonal bransje, virtuell medie-bransjen, der det er vanlig med engelsk arbeidsspråk. Det er grunn til å anta at mulige eksterne regnskapsbrukere som långivere, kunder, leverandører, ansatte og lokalsamfunnet vil være vant til å forholde seg til informasjon på engelsk og at disse ikke blir vesentlig negativ berørt dersom selskapet får dispensasjon. Offentlige regnskapsbrukere som skatteetaten etc kan ikke anses å bli negativt berørt ved at selskapet får tillatelse til å utarbeide årsregnskap og årsberetning på engelsk.

Den faktiske virksomheten foregår hovedsakelig i Norge, men selskapet har og kontorer i Storbritannia, Polen, USA, Dubai, Singapore og Kina. Kundene er både norske og utenlandske, og utgjør kun selskaper. Det må antas at kundene er vant til å forholde seg til engelsk som arbeidsspråk og at årsregnskap og årsberetning på engelsk ikke vil være til ulempe for disse.

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo	Elverum	Mo i Rana	Stavanger
Ålia	Finnset	Molde	Stord
Arendal	Hamar	Tromsø	Strømme
Bergen	Haugesund	Trondheim	Tynset
Bodo	Knaivik	Skien	Sandefjord
Bryne	Kristiansand	Sandnessjøen	Ålesund
Drammen			



Skatteetaten

Søknad om tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

På vegne av Nevion AS anmodes det om at Skattekontoret fatter vedtak om dispensasjon til at selskapet kan utarbeide årsregnskap og årsberetning på engelsk.

Ved spørsmål eller behov for ytterligere informasjon ta gjerne kontakt med advokat Ina Saue Oddenes på tlf 95 79 8024 eller e-post: ina.oddenes@kpmg.no

Vennlig hilsen
for KPMG AS

Ina Saue Oddenes
Advokat



Nevion AS

Board of Director Report 2021

The nature and location of the business

The Nevion Group's business concept is to develop, market, sell and deliver competitive and technologically innovative projects, products, and services in professional media transport to the international broadcasting and telecommunications market.

During 2021 Nevion AS changed its financial year to align with that of its sole owner, Sony Corporation. The 2021 financial statement therefore covers 15 months (01.01.2021-31.03.2022).

The company was established in 1996 and the headquarter is located in modern offices at Lysaker. At the end of the year, the group consists of the parent company Nevion AS (Norway) with the wholly owned subsidiaries Best Broadcast AS (Norway), Nevion Sp.z o.o. (Poland), Nevion Ltd (United Kingdom), and Nevion Asia Pte Ltd (Singapore) with the wholly owned subsidiary Nevion China Ltd. In January 2022 Nevion sold its subsidiaries in the US (Network Electronics Holdings Inc and Nevion USA Inc) to Sony Electronics Inc (USA).

Continued operation

In accordance with the Accounting Act § 3-3, it is confirmed that the preconditions for continued operations are present. The assumption is based on the company's financial position at the end of 2021, forecast for turnover and profit in 2022, as well as a long-term strategic plan for the company.

Future outlook

2021 became a challenging year for the company and the impact of the Covid-19 situation proved to last longer than expected. Even though the period has been challenging the underlying activity level remained at a very high level through the year. However, it has proven more difficult to qualify new projects as several customers have put some of their investment's on hold during the pandemic and time to closure tends to be longer than before. Towards the end of the year, we have observed a trend that indicates an improvement of the market situation.

In 2022 Nevion will approach the market in even tighter cooperation with Sony than before and thereby gain significantly increased market access for its technology and solutions globally. Nevion will also continue its cooperation with Sony on the technology side to provide even better solutions for our customers.

As we entered into 2022, geopolitical tensions around the Russia and Ukraine situation escalated. Due to the sanctions imposed related to the Ukraine crisis, Nevion has terminated all projects with Russia and Belarus. The situation will not have significant impact on the performance of Nevion going forward.



In addition to the economic development in the market, important known risk factors that the group deals with are, among other things, the choice of logistics solutions and goods production partners, technology shifts, consolidation among competitors, currency fluctuations, copying of our products and dependence on key personnel. Nevion have taken actions to mitigate the risk of component shortage currently affecting the market and do not expect this to affect the performance of the company in 2022. Going forward the effect of the Corona virus will continue to decrease as most of the world has adapted to the new situation and the impact of the virus is no longer expected to be material.

Review of the year

The Nevion Group had a total turnover of 355,4 MNOK in 2021 against 302,0 MNOK in 2020, with an operating profit before capitalization of research and development and depreciation and write-downs of -37,7 MNOK against -25 MNOK in 2020. Profit before tax was -64,5 MNOK against -34,8 MNOK in 2020. The group's result is affected by amortization of capitalized goodwill, intangible assets, and customer relationships by 62,1 MNOK.

The parent company Nevion AS had a turnover of 309,0 MNOK in 2021 against 262,0 MNOK in 2020, with a profit before tax in 2021 of -147,9 MNOK against -26,8 MNOK in 2020.

The group had total assets of 211,7 MNOK at the end of 2021 against 265,4 MNOK at the end of 2020. Property, plant, and equipment have been decreased by 1,1 MNOK during the year. Intangible assets excluding deferred tax assets were reduced in 2021 by a net 24,9 MNOK.

The parent company had total assets of 194,4 MNOK at the end of 2021 against 352,0 MNOK at the end of 2020. Property, plant, and equipment were increased by 0,06 MNOK during the year. Intangible assets other than deferred tax assets were reduced by a net of NOK 24,4 million in 2021.

Nevion continues to expand and further develop the product range with a focus on strengthening the company's position within the existing product areas for advanced media transport. Development expenses are capitalized when a future economic benefit related to the identifiable intangible assets can be identified. Capitalized development costs are depreciated over the product's expected life.

The group's cash holdings amounted to 30,0 MNOK at the end of the year. The net increase in cash and cash equivalents was 11,3 MNOK in 2021. A total of 34,2 MNOK has been capitalized in the group in development costs and product rights, and new acquisitions of 1,3 MNOK in machinery and equipment have been made. The equity ratio was 36% in the group and 34% in the parent company at the end of 2021.

The company has a holding of own shares of 166 103 shares of a total of 69,5 million shares outstanding at the end of the year.

The prospectus situation at the beginning of 2022 is improving. Uncertainty is normally associated with forecasts and assessments of future conditions.

Financial risk

98% of turnover is in foreign currency, mainly EUR and USD, and sales revenues are booked at the current exchange rate. The company seeks to reduce currency risk to the greatest possible extent through natural hedging. Purchases of goods are made primarily in EUR and USD, and the operating



costs of several of the company's subsidiaries are in the same currencies. The group did not use currency futures or other financial instruments during the financial year. The company considers the liquidity to be satisfactory.

Working environment and employees

Nevion is committed to equal opportunity and non-discrimination. Secure and motivated employees who feel valued for their contribution provide the best conditions for increased innovation, results in assignments which ensure personal development and high employee satisfaction.

For two years in a row Nevision has been certified by Great Place to Work. It collects and evaluates employee feedback and recognizes companies that have a trusting and high-performing workplace culture.

The company works actively to promote the Discrimination Act's purpose of equality and equal opportunities and rights across, eg. ethnic background, skin colour, language or functional ability. It is the company's aim to be an attractive workplace with gender balance at all levels and in all functions.

The company's international profile encourages diversity among its employees. People with different backgrounds and views are crucial for innovation and creativity, which in turn contributes to continued growth. In 2021, people with more than 23 different nationalities were employed in the group.

There are currently no disabled employees with special needs in the company. However, the company's premises are adapted for any jobseekers with reduced functional abilities, with good access, as well as an elevator between all floors. Workplaces and work tasks are individually adjusted for employees or jobseekers with reduced functional abilities.

As a Sony company, we follow "The Sony Way", which is a comprehensive training program that is mandatory for all Sony Group employees. The program will ensure that employees at all levels in the company are aware of the company's attitudes to equality and discrimination.

In 2021, an average of 83 people were employed by Nevision AS. A total of 146 people were employed in the group in 2021. At the end of 2021, there were 83 employees in Nevision AS and 140 employees in the group.

Nevion aims to have an equal spread of men and women through all areas and levels in the company. Of the group's 146 full time employees in 2021, 119 are men and 27 are women (18%). The Norwegian parent company has 83 employees, of whom 12 are women (15%). The female employees work in all departments of company, but with the main emphasis on administrative positions. The company's management team consists of one woman and 10 men at the end of the year.

The majority of the employees are full time employees. In 2021, there were 2 men and 1 woman who worked in a reduced position. The company aims to facilitate part-time positions when there is a desire from the employees themselves.

In 2021, the company has carried out a survey of salary differences between women and men. In total in the company, women's wages make up 81% of men's wages. Fixed salary, bonus and other allowances are processed together. There must be at least five of each gender in a category (see below) for us to share the results from the salary survey in the annual report. If there are less than five women or men in these categories, the survey of wage differences at category level is not included in the



annual report. Employees are divided into the following categories; 1)employees with managerial responsibilities 2)specialists and administration and 3)product development and technical personnel. The number of female employees with managerial responsibilities amounts to 8%. The female proportion of specialists and administrative personnel is 20%, while the proportion of women in product development and technical personnel is 10%

No injuries were reported in 2021 and there have been no injuries to the company's equipment. In 2021, sickness absence was registered, which amounted to 1.5% of total working hours. The organization maintain a high focus on health, safety, and the environment (HSE) through risk assessments, focus on internal control and ergonomic adaptations.

Nevion AS has insured its Board of directors.

External Environment

Circuit boards are an important input factor in our business, and it is emphasized that the suppliers are environmentally certified according to ISO 14001. The business is aware of its environmental profile and started at an early stage with source sorting of waste. The board is not aware that the company's activities pollute the external environment. The company is affiliated with return schemes administered through Renas AS.

Events after the balance sheet date

No significant events with effect on the accounts has happened after the balance sheet date.

Distribution of the annual result

The board proposes the following allocation of the annual result in the parent company Nevion AS:

For dividend: 0 NOK
Transferred other equity: -147 918 047 NOK
Total available: -147 918 047 NOK

The Board of Directors of Nevion AS

Lysaker 20. September 2022

Mikio Kita
Director (Chairman)

Hiroyasu Noguchi
Director

Nozomu Shimbo
Director

Svein Håvard Haugen
Director

Jan Helgesen
Director



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To the General Meeting of Nevion AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Nevion AS, which comprise:

- The financial statements of the parent company Nevion AS (the Company), which comprise the balance sheet as at 31 March 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Nevion AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 March 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 March 2022, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 March 2022, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserede revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo	Elverum	Mo i Rana	Stord
Alta	Finnsnes	Molde	Straume
Arendal	Hamar	Skien	Tromsø
Bergen	Haugesund	Sandefjord	Trondheim
Bodo	Knarvik	Sandnessjøen	Tynset
Drammen	Kristiansand	Stavanger	Ålesund



Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial



Independent Auditor's Report - Nevion AS

statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Sandefjord, 20 September 2022
KPMG AS

Frode Bohlin Lea
State Authorised Public Accountant



Nevion AS Parent & Group
01.01.2021 - 31.03.2022
Profit & Loss statement
Balance sheet
Cash flow statement
Significant Accounting principles
Notes



Nevion AS

Parent and group profit & loss

Profit & loss

Figures in NOK

Parent 01.01.2021 - 31.03.2022	Parent 2020		Note	Group 01.01.2021 - 31.03.2022	Group 2020
309 031 372	261 975 124	Revenues	10	355 444 053	302 034 471
309 031 372	261 975 124	Revenues		355 444 053	302 034 471
139 685 851	119 957 276	Cost of goods sold	7	122 752 419	99 941 679
127 326 300	91 784 046	Personnel expenses	2, 11	175 960 531	143 885 183
63 641 840	40 851 082	Depreciation and amortisation expense	2, 3	64 495 634	41 512 641
45 332 986	35 434 695	Other operating expenses	2, 3, 12	55 953 061	45 395 708
375 986 977	288 027 099	Operating expenses		419 161 645	330 735 210
-66 955 605	-26 051 975	Net operating income		-63 717 592	-28 700 739
28 363 987	8 789 073	Other finance income	15, 17	33 136 551	12 317 207
-109 326 428	-9 587 092	Other finance expense	17	-33 920 043	-18 466 215
-80 962 442	-798 019	Net financial income and expenses		-783 492	-6 149 008
-147 918 047	-26 849 994	Operating result before tax		-64 501 085	-34 849 747
-	-4 891 882	Income tax expense	9	-249 012	-4 760 281
-147 918 047	-21 958 112	Operating result after tax		-64 252 073	-30 089 466
-147 918 047	-21 958 112	Annual net profit	1	-64 252 073	-30 089 466
-	-	Distribution / coverage of the result			
-147 918 047	-21 958 112	Other equity			
-147 918 047	-21 958 112	Total			
-	-				

**Nevion AS**
Parent and group Balance sheet**Balance sheet**

Figures in NOK					
Parent	Parent		Group	Group	
31.03.2022	31.12.2020		31.03.2022	31.12.2020	Note
Assets					
Non current assets					
Intangible assets					
3 550 595	14 425 595	Goodwill	2	3 550 595	14 425 595
91 844 739	105 377 337	Research and development	2	91 191 274	104 257 112
15 350 264	15 350 264	Deferred tax asset	9	18 046 492	18 669 980
110 745 598	135 153 196	Total intangible assets		112 788 361	137 352 687
Tangible assets					
-	-	Land, buildings and other property	3	486 704	749 490
2 004 197	2 224 797	Machinery and equipment	3	2 468 159	3 269 846
2 004 197	2 224 797	Total tangible assets		2 954 863	4 019 336
Financial fixed assets					
1 752 468	1 753 468	Shares in subsidiaries	5, 6	-	-
-	77 916 220	Loans to subsidiaries	5, 6	-	-
1 752 468	79 669 688	Total financial assets		-	-
114 502 263	217 047 681	Total non current assets		115 743 224	141 372 023
Current assets					
2 724 919	-	Inventories	6, 7	14 771 356	19 656 510
Debtors					
33 236 419	112 685 401	Trade receivables	6	39 378 190	71 037 947
18 462 522	10 794 648	Other receivables	9	11 726 618	14 576 581
54 423 860	123 480 049	Total debtors		65 876 165	105 271 039
26 279 071	11 460 811	Cash and cash equivalents	4	30 045 868	18 712 380
80 702 931	134 940 860	Total current assets		95 922 033	123 983 419
195 205 194	351 988 541	Total assets		211 665 257	265 355 442



Nevion AS
Parent and group Balance sheet

Balance sheet

Figures in NOK

Parent 31.03.2022	Parent 31.12.2020	Note	Group 31.03.2022	Group 31.12.2020
Equity and liabilities				
Equity				
Owners equity				
6 953 197	6 953 197	1, 8	6 953 197	6 953 197
-16 611	-16 611	1, 8	-16 611	-16 611
<u>143 468 999</u>	<u>143 468 999</u>	1, 8	<u>143 468 999</u>	<u>143 468 999</u>
150 405 585	150 405 585		150 405 585	150 405 585
Retained earnings				
-84 024 661	63 893 387	1, 8	-73 404 230	-7 086 490
<u>-84 024 661</u>	<u>63 893 387</u>		<u>-73 404 230</u>	<u>-7 086 490</u>
Minoritet				
<u>66 380 923</u>	<u>214 298 972</u>		<u>77 001 355</u>	<u>143 319 095</u>
Liabilities				
Provisions				
-	-		-	602 550
-	-	9	<u>30 623</u>	<u>209 481</u>
-	-		<u>30 623</u>	<u>812 031</u>
Current liabilities				
55 051 419	18 000 000	6, 15	55 885 705	18 000 000
13 121 898	55 520 843	6	18 811 196	5 182 196
-	-	9	2 655	-
4 951 447	10 905 625		5 491 792	12 534 191
<u>55 699 506</u>	<u>53 263 102</u>	6, 13	<u>54 441 931</u>	<u>59 456 807</u>
128 824 270	137 689 570		134 633 279	121 224 316
<u>128 824 270</u>	<u>137 689 570</u>		<u>134 663 902</u>	<u>122 036 346</u>
<u>195 205 194</u>	<u>351 988 541</u>		<u>211 665 257</u>	<u>265 355 442</u>

Lysaker, September 20, 2022

Mikio Kita
Chairman of the board

Hiroyasu Noguchi
Board member

Thomas Ralf Heinzer
CEO

Nozomu Shimbo
Board member

Jan Ingvard Helgesen
Board member

Svein Håvard Haugen
Board member



Nevion AS

Parent and group Cash flow statement

Cash flow statement

Figures in NOK

Parent 01.2021 - 31.03.21	Parent 2020	Note	Group 01.01.2021 - 31.03.21	Group 2020
Cash flows from operational activities				
-147 918 046	-25 939 989		-64 501 085	-34 849 748
-	-		-	-
63 641 839	40 851 082		64 495 633	41 512 641
77 916 220				
-2 724 919	2 156 638		4 885 154	482 304
79 448 982	12 066 078		31 659 757	-5 126 504
-42 398 945	-23 078 755		-7 239 925	-10 067 295
-	625 273		-2 065 667	6 901 384
-11 184 646	7 141 748		-9 549 464	10 398 233
16 780 485	13 822 073		17 684 404	9 251 015
Cash flows from investing activities				
-1 317 769	-1 421 009	3	-1 327 689	-2 918 957
-37 695 873	-36 400 217	2	-37 726 736	-36 400 213
-39 013 643	-37 821 226		-39 054 425	-39 319 170
Cash flows from financing activities				
37 051 419	18 000 000		37 885 705	18 000 000
-	-1 561 129		-5 182 196	3 621 067
-	8 023 208		-	-
37 051 419	24 462 079		32 703 509	21 621 067
14 818 261	462 926		11 333 488	-8 447 088
11 460 811	10 997 885		18 712 380	27 159 468
26 279 071	11 460 811		30 045 868	18 712 380



Nevion AS Group

Notes 2021/2022

Significant Accounting Principles

The Financial Statements consists of consolidated Profit and Loss Account, Balance Sheet, Cash Flow Statement and the significant accounting principles. The consolidated Financial Statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

The financial statement consists of P&L statement covering 15 months (01.01.2021-31.03.2022). This is due to a transition year where the year end has been moved from 31st December till 31st March to align with Sony Group's consolidated statements fiscal year end. Balance sheet end-date is set to 31st March 2022

The significant accounting principles are an integrated part of the Financial Statements.

Basis for consolidation

The consolidated financial statements incorporates the financial statements of the parent company Nevion AS and the subsidiaries Nevion Asia Pte Ltd with the subsidiary Nevion China Co. Ltd, Best Broadcast AS, Nevion Manufacturing Sp. z.o.o, Nevion Ltd and Network Electronics Holdings Inc. with the subsidiary Nevion USA Inc. The consolidated accounts for the group have been prepared as a single economic entity. Intercompany transactions have been eliminated in the consolidated accounts. The consolidated accounts have been prepared in accordance with the same accounting principles for both parent and subsidiaries.

Foreign subsidiaries in currencies are recalculated by using the monthly average exchange rate for the income statement, and the exchange rate at month-end for the balance sheet.

Basic principles - Evaluation and classifications - Other conditions

The consolidated group accounts are based on the basic principles of historical cost accounting, comparability, continued operations, congruence and prudence. Transactions are recorded at their fair value at the time of the transaction. Revenues are recorded at the time of delivery of goods and services. Expenses that can not be matched directly to revenues, are expensed as they incur. Hedging and portfolio management are also taking into the considerations. The accounting principles are further explained below.

Assets/liabilities related to current business activities and items which fall due within one year are classified as current asset/liabilities. Current assets/short-term debts are recorded at the lowest/highest of acquisition cost and fair value. The definition of fair value is the estimated future sales price reduced by sale costs. Other assets are classified as fixed assets. Fixed assets are entered in the accounts with historical cost with deductions for any depreciation. In the event of a decline in the value that is not temporary, the fixed asset will be subject to a write-down. The same principle normally applies to liabilities.

According to the generally accepted accounting standards there are some exemptions from the basic assessment and valuation principles. Comments on these exemptions can be found in the respective notes. When applying the basic accounting principles and disclosure of transactions and other items, the "substance over form" rule is adopted. Contingent losses which are probable and quantifiable are charged to the profit and loss account. The classification of segments is based on the company's directing and reporting purposes together with risk and earnings. There is a presentation of geographical distribution of the revenues because the geographical segregation of revenues is important in assessing the company.

Sales revenue

Sales revenues are recognized at the time of delivery. Provisions are made for identified projects with estimated loss and the amount is equal to the expected loss. The revenues are deducted VAT, freight costs, discounts and commissions.

Expenses / Matching

In principle, cost of sales and other expenses are recognised in the same period as the revenue to which they relate. Expenses that can not be matched directly to revenues, are expensed as they incur.

Other revenues and expenses

Material revenues and expenses that is not a part of the ordinary operations are classified as other revenues and expenses. Transactions that are unusual, irregular and material are classified as extraordinary.

Foreign currency

Foreign currency cash accounts are translated using the year end exchange rate.

Tangible fixed assets

Tangible fixed assets are capitalized with the acquisition cost and deducted by accumulated depreciation and impairments. If fair value of a fixed asset is lower than the book value, and the decline in the value is not temporarily, the fixed asset will be written down to fair value. Costs related to ordinary maintenance and repair are expensed as incurred. Periodical maintenance and repairs are accrued. Major replacements and renewal which substantial increase the economic life of the fixed assets are capitalized. A fixed asset is regarded as permanent if the estimated economic life is more than three years and cost is more than NOK 15 000.

Depreciation

Ordinary depreciation is calculated based on historical cost and charged to the income statement linearly over the estimated economical life. This also applies to intangible fixed assets. Depreciation is classified as ordinary operating expenses.



Goodwill

Goodwill is the difference between historical cost and fair value of the identifiable assets and liabilities in a business combination. Goodwill is amortized and its lifetime is evaluated partly based on the expected duration of the benefit associated with increased market share and synergies.

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Inventories

Inventories are valued at the lower of cost or market value. Cost is estimated using the FIFO method. Finished goods and work in progress are valued at full production cost. The cost of sales consist of cost of goods and any write down which is in accordance with the Norwegian Accounting Act and the generally accepted accounting principles in Norway.

Receivables

Receivables are recorded in the balance sheet at nominal value less provision for doubtful debts.

Deferred tax and income tax

Income tax in the profit and loss account consists of both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated by use of relevant tax rates on the basis of the temporary differences between accounting and taxable values considering the tax effect of former operating losses. Temporary differences, both positive and negative, are offset within the same period for each country. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash and bank deposit.

Research and development

Development costs are capitalized providing that a future economic benefit associated with development of the intangible asset can be identified and costs can be measured reliably. Otherwise, the costs are expensed as incurred. Capitalized development is amortized linearly over its useful economic life. Research costs are expensed as incurred.

Leasing

Finance leases are posted with gross capitalization of breakdown of debt and capitalization of the leased asset. In the income statement are measured lease cost as a pure element and as ordinary depreciation.

Operating leases are included in the accounts as current rental costs without remaining lease obligations are capitalized.

Use of estimates

The preparation of the financial statements requires management to apply estimates and assumptions that affect the profit and loss account, the valuation of assets and liabilities, and disclosure of contingent assets and liabilities at the balance sheet date. Contingent losses that are probable and can be measured reliably are expensed as incurred.

Repurchase of share capital (own shares)

When share capital recognized as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effects, and is recognized as a deduction from equity. Repurchased shares are classified as own shares and are presented as a deduction from total equity. When own shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to / from retained earnings.



Nevion AS Notes 2021/2022

Note 1 Equity

Nevion AS

	Share capital	Own shares	Share premium	Other equity	Total
Equity per. 01.01.2021	6 953 197	-16 611	143 468 999	63 893 387	214 298 972
Profit for the year	-	-	-	-147 918 047	-147 918 047
Equity per. 31.03.2022	6 953 197	-16 611	143 468 999	-84 024 660	66 380 925

Nevion group

	Share capital	Own shares	Share premium	Other equity	Total
Equity per. 01.01.2021	6 953 197	-16 611	143 468 999	-7 086 490	143 319 095
Conversion difference	-	-	-	-2 065 667	-2 065 667
Profit for the year	-	-	-	-64 252 073	-64 252 073
Equity per. 31.03.2022	6 953 197	-16 611	143 468 999	-73 404 230	77 001 355

Own shares were acquired with a view to subsequent sales to employees and business associates.

Note 2 Intangible Assets

	Goodwill	Patents	Research and development	Research and development at work	Total
Acquisition cost per. 01.01.2021	85 425 595	12 825 000	338 006 331	64 488 742	500 745 668
Acquisition of intangible assets	-	-	64 469 190	37 695 873	102 165 063
Disposals	-	-	-	-64 469 190	-64 469 190
Acquisition cost per. 31.03.2022	85 425 595	12 825 000	402 475 520	37 715 426	538 441 541
Accumulated depreciation per. 31.03.2022	-81 875 000	-12 825 000	-348 346 207	-	-443 046 207
Balance sheet value per. 31.03.2022	3 550 595	-	54 129 313	37 715 426	95 395 334
Depreciation for the year	10 875 000	-	51 228 471	-	62 103 471
Write-downs for the year	-	-	-	-	-
Economic life	10 year	3-5 year	3-5 year	None	

	Goodwill	Patents	Research and development	Customer relations	Total
Acquisition cost per. 01.01.2021	113 563 964	12 825 000	454 590 011	65 220 848	646 199 823
Acquisition of intangible assets	-	-	37 726 736	-	37 726 736
Disposals	-	-	-	-	-
Acquisition cost per. 31.03.2022	113 563 964	12 825 000	492 316 747	65 220 848	683 926 559
Accumulated depreciation per. 31.03.2022	-110 013 368	-12 825 000	-401 125 474	-65 220 848	-589 184 690
Balance sheet value per. 31.03.2022	3 550 596	-	91 191 272	0	94 741 869
Depreciation for the year	10 875 000	-	51 228 471	-	62 103 471
Write-downs for the year	-	-	-	-	-
Economic life	10 year	3-5 year	3-5 year	10 year	

Acquired goodwill and customer relationships are estimated to have an economic life of 10 years, and are linked to synergy gains and expected future earnings in connection with the acquisition of T-vipps AS with subsidiaries.

Product rights are considered to have an economic life of 3 to 5 years and the balance sheet is compared against underlying income on the rights. The acquisition of the product rights means that the Group has all ownership rights to its products.

The item "Research and development / research and development at work" includes activated projects in connection with the development of new products. In accordance with the Company's accounting principles, capitalized amounts will only qualify for capitalization to the extent that a future economic benefit associated with the development of an identifiable intangible asset can be identified. Otherwise, such expenses are expensed as incurred. Balance sheet research and development is amortized on a straight-line basis over its economic life, which is assumed to be between 3 and 5 years based on a specific assessment.

For Nevion AS, in 2021/22, 3 new projects were activated in the post Research and Development work. The item Research and Development includes 67 completed development projects, of which 61 have been written off to accounting value zero. The projects that are activated are reduced by depreciation from the time of the product's completion / start-up date for the sale of the underlying products. Continuous assessment is made of whether the criteria for capitalization are met when assessing future discounted cash flows measured against total book value. Projects that have not been completed at year-end amount to NOK. 43 402 921.

The company rents premises for the head office at Lysaker, as well as a branch office in Sandefjord. Both leases run until 01.03.2024. Total annual rent amounts to NOK. 8.5 million excl. common costs and other local costs. Rented areas in Sandefjord are larger than needed, and parts of these are leased with an annual rental income of NOK 2.8 million. Net rental cost for the Norwegian company are 6.4 million, divided on 3.7 for the premises at Lysaker and 3.8 million in Sandefjord. Smaller premises are rented for the Group's sales offices in other countries, and there are short-term leases.



Note 3 Fixed assets

Nevion AS	Machines and fixtures		Total fixed assets
Acquisition cost per. 01.01.2021	46 766 629		46 766 629
Acquisition of fixed assets	1 317 769		1 317 769
Disposals	-		-
Acquisition cost per. 31.03.2022	48 084 398		48 084 398
Accumulated depreciation per. 31.03.2022	-46 080 201		-46 080 201
Balance sheet value per. 31.03.2022	2 004 197		2 004 197
Depreciation for the year	1 538 368		1 538 368
Write-downs for the year	-		-
Economic life	3-5 year		

Nevion group	Machines and fixtures		Building	Total fixed assets
Acquisition cost per. 01.01.2021	79 823 781		2 335 012	82 158 793
Acquisition of fixed assets	1 327 690		-	1 327 690
Disposals	-		-	-
Acquisition cost per. 31.03.2022	81 151 471		2 335 012	83 486 483
Accumulated depreciation per. 31.03.2022	-78 683 311		-1 848 308	-80 531 619
Balance sheet value per. 31.03.2022	2 468 159		486 704	2 954 863
Depreciation for the year	2 256 170		135 992	2 392 162
Write-downs for the year	-		-	-
Economic life	3-5 year		10 year	

Note 4 Bank Deposits

In the item bank deposits, restricted funds include NOK 2 602 382. The company has established a tax deduction guarantee of NOK 5 000 000 at Tryg Garantit. Guarantee amounts exceed the amount due for the individual instalments in the financial year.

Note 5 Subsidiaries, associated companies, etc.

	Share capital	Number of		Balance sheet value	Business Office	Shareholding
		Shares	Shares			
Best Broadcast AS	NOK 100 000	10 000		109 000	Sandefjord, Norge	100 %
Nevion Asia Pte Ltd	SGD 50 000	50 000		291 731	Singapore, Singapore	100 %
Nevion Ltd	GBP 1	1		226 600	Reading, England	100 %
Nevion Sp. z.o.o	PLN 500 000	10 000		1 001 190	Gdańsk, Polen	100 %
T-Vips America Inc.	USD 20 000	20 000		123 947	New Jersey, USA	100 %
Total shares in subsidiaries				1 752 468		

Subsidiaries are assessed according to the cost method in the company accounts. The investment is valued at the acquisition cost of the shares unless a write-down has been necessary. Write-downs to fair value have been made when impairment is due to causes that cannot be assumed to be temporary and must be regarded as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-downs no longer are present.

*The shares in Network Electronics Holdings Inc has been a sold to Sony Electronics Inc. during the financial year (31 December 2021).

Full consolidation has been made in the consolidated financial statements of Nevion AS. For Network Electronics Holdings Inc the period included is 1st January 2021 till 31st December 2021.



Note 6 Receivables and Debt

	Nevion AS		Nevion group	
	31.03.2022	31.12.2020	31.03.2022	31.12.2020
<i>Receivables with maturity later than one year</i>				
Other long-term receivables	-	77 916 221	-	-
Total	-	77 916 221	-	-
<i>Debt maturing later than five years</i>				
Loans from shareholders	55 051 418	18 000 000	55 051 418	18 000 000
Total	55 051 418	18 000 000	55 051 418	18 000 000

Nevion AS has written off the long term receivables during the financial year and as a part of the derecognition of one of the subsidiaries as a part of the purchase agreement.

<i>Claims and liabilities in foreign currency:</i>	USD	GBP	EUR	Converted to	
				NOK	
Long-term receivable	-	-	-	-	
Short-term receivable	921 478	-	62 141	8 664 454	8,7479
Trade payables	-65 748	-506 006	-574 112	-11 958 997	
Accounts receivables	1 179 919	31 293	2 437 417	29 893 262	
Total net debt / receivable in currency:	2 035 650	-474 713	1 925 446	26 598 718	

<i>Receivables and liabilities Group companies:</i>	31.03.2022		31.12.2020	
	Long-term receivable	-	77 916 221	-
Short-term receivable	-	-	-	-
Trade payables	-5 359 284	-42 382 558	-	-
Accounts receivables	3 730 221	72 458 050	-	-
Total	-1 629 063	107 991 713		

Note 7 Inventory

	Nevion AS		Nevion group	
	31.03.2022	31.12.2020	31.03.2022	31.12.2020
Goods purchased for resale	2 724 919	-	14 771 356	19 656 510
Total	2 724 919	2 156 638	14 771 356	20 138 814

The inventory of components is valued at the lowest value of cost according to the FIFO principle and fair value. Inventory of finished goods is listed at full cost of manufacture. The downgrade for obsolescence.

	Nevion AS		Nevion group	
	31.03.2022	31.12.2020	31.03.2022	31.12.2020
Inventory valued at cost	-	-	5 606 837	3 897 133
Inventory valued at fair value (adjusted for obsolescence)	2 724 919	-	9 164 519	15 759 377
Total	2 724 919	-	14 771 356	19 656 510

Note 8 Share Capital and Shareholder Information

Nevion AS			
	Quantity	Notional	Carrying amount
Share capital per share. 31.03.2022 consists of:	69 531 969	0,10	6 953 197
The shareholders per 31.03.2022 are:			
	Stock	Ownership and voting share	
Sony Corporation	69 365 866	99,77 %	
Nevion AS	166 103	0,24 %	
Total number of shares	69 531 969	100,00 %	



Note 9 Tax

<i>Tax payable appears as follows:</i>	Nevion AS		Nevion group	
	31.03.2022	31.12.2020	31.03.2022	31.12.2020
Ordinary result before tax expense	-147 918 048	-26 849 998	-64 501 085	-34 849 747
Permanent differences	87 477 432	4 269 766	3 192 935	3 769 766
Reversed temporary difference regarding US stocks	-	-	-	-
Change temporary differences	5 807 412	7 740 389	5 807 412	7 740 389
Change in tax loss carry forward	-	-	-	-
Basic tax payable	-54 633 204	-14 839 843	-55 500 737	-23 339 592
Tax payable 22% / 22 %	-	-	-	-
Payable tax on annual profit	-	-	-	-
<i>This year's tax expense appears as follows:</i>				
Payable tax on annual profit	-	-	-	-
Tax payable on previous annual profit	-	-	-	-
Change of deferred tax / tax benefit	-	-5 826 882	-249 012	-5 695 281
Other changes, including currency	-	-	-	-
Adjustment last year's provision for tax	-	935 000	-	935 000
Total tax expense for the year	-	-4 891 882	-249 012	-4 760 281
<i>Payable tax in the balance sheet is as follows:</i>				
	31.03.2022	31.12.2020	31.03.2022	31.12.2020
Payable tax on annual profit	-4 750 000	-4 750 000	-4 750 000	-5 842 863
Tax payable on previous annual profit	-	-	-	-
Total tax payable	-4 750 000	-4 750 000	-4 750 000	-5 842 863
Taxable US (refundable)	-	-	-	-
Refund SkatteFUNN and UK Tax Relief R&D	-4 750 000	-4 750 000	-4 750 000	-5 842 863
<i>+/- Total tax to pay/ outstanding</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Of this classified as tax payable liability</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Of this classified as other receivables</i>	<i>4 750 000</i>	<i>4 750 000</i>	<i>4 750 000</i>	<i>5 842 863</i>
<i>Specification of the basis for deferred tax:</i>				
<i>Differences that are offset:</i>				
Fixed assets	425 904	-3 138 774	425 904	-3 138 774
Current assets	-17 101 864	-23 754 905	-28 399 614	-32 706 127
Debt	-1 074 737	14 950 394	-3 632 648	10 517 528
Deficit for carry-over	-112 231 312	-57 830 647	-112 381 332	-109 663 631
Total	-129 982 009	-69 773 932	-143 987 689	-134 991 004
Deferred tax / tax benefit Norway	-28 596 041	-15 350 264	-28 596 041	-15 350 264
Deferred tax / tax benefit to the rest of the world	-	-	-2 665 606	-13 344 646
Total deferred tax / tax benefit before restrictions	-28 596 041	-15 350 264	-31 261 647	-28 694 910
Limitation in the entry of deferred tax assets	13 245 778	-	13 245 778	10 234 410
Deferred tax asset recognized in the balance sheet	15 350 263	15 350 264	18 046 492	18 669 980
Deferred tax recognized in the balance sheet	-	-	30 623	209 481

SkatteFUNN

In 2021, the company has approved Research and Development projects in accordance with tax law §16-40 (SkatteFUNN). Upon final approval, the company will be paid NOK 4 750 000. The amount is considered earned in 2021 and is recognized in the balance sheet as a reduction of Research and Development or other operating expenses, depending on whether the project is capitalized or expensed.

SkatteFUNN amounts that have reduced the acquisition cost of completed Research and Development projects or reduced other operating costs, have been treated as permanent differences.



Note 10 Sales Revenues

<i>Geographical distribution (figures in TNOK)</i>	Nevion AS		Nevion group	
	2021/2022	2020	2021/2022	2020
Europe	207 366	146 019	207 366	146 888
US	44 362	36 942	67 654	65 893
UK	38 687	62 051	53 659	66 373
APAC	18 617	17 873	26 765	23 790
Total	309 031	262 885	355 444	302 944

Note 11 Personnel Expenses

<i>Payroll expenses</i>	Nevion AS		Nevion group	
	2021/2022	2020	2021/2022	2020
Wages	106 927 769	81 265 381	125 124 830	115 626 025
Employer's tax	15 380 497	11 151 980	26 277 965	17 245 288
Pension costs	5 355 855	3 826 270	10 970 671	7 248 057
Other benefits	41 415 648	27 266 995	55 340 534	35 492 391
Enabled Research and Development	-41 753 469	-31 726 580	-41 753 469	-31 726 580
Total	127 326 300	91 784 046	175 960 531	143 885 181

Average number of employees 83 76 135 136

Mandatory occupational pension

The company is obliged to have an occupational pension scheme in accordance with the Act on Mandatory Occupational Pensions. The company has established a pension scheme that meets the requirements of the Mandatory Occupational Pensions Act.

Benefits to senior executives

Senior executives in Nevion group are defined as the company's CEO and members of the board of the parent company:

<i>CEO</i>	Wage	Benefits	Pension cost	Total
				remuneration
Thomas Ralf Heinzer, CEO	6 044 460	203 828	1 120 709	7 368 997
Board fees paid in the period				
Mikio Kita	-	-	-	-
Jan Ingvard Helgesen	50 000	-	-	50 000
Ivar Rognstad (former member)	29 167	-	-	29 167
Øystein Ødegaard Auli (former member)	20 883	-	-	20 883
Svein Håvard Haugen	-	-	-	-
Hiroyasu Noguchi	-	-	-	-
Nozomu Shimbo	-	-	-	-
Total	100 050			100 050

The CEO of the company received a bonus in 2021 in accordance with an established bonus program approved by the company's board of directors. Bonus is expensed for the period to which it relates and may deviate from the reported salary. The CEO has the right to severance pay for one year if he is released from his position.

Furthermore, the company has a defined contribution pension scheme. The scheme satisfies statutory requirements for compulsory occupational pensions. The costs associated with the scheme are recorded when paying premiums to the scheme.

No loans or guarantees have been provided for members of the management team, the board of directors or other elected corporate bodies.

Auditor:

	Nevion AS	Nevion group
Expected ordinary audit fees ex. expenses and VAT	300 000	300 000
Expected audit fees in subsidiaries that have not been audited by the Group auditor	-	473 859
Fees other financial audit and other technical accounting assistance	161 589	161 589
Fees for assistance in the field of taxation	100 000	198 216
Total statutory audit (in accordance with the requirements of the Financial Supervisory Authority)	561 589	1 133 663



Note 12 Other Operating Expense

<i>Other operating expenses consist of the following types of costs:</i>	Nevion AS		Nevion group	
	2021/2022	2020	2021/2022	2020
Sales and marketing expenses	7 103 173	8 852 144	7 888 208	10 439 754
Rental costs	15 117 779	9 229 277	19 172 747	11 801 051
Other operating expenses	23 112 035	17 353 277	28 892 106	23 154 903
Total	45 332 987	35 434 695	55 953 061	45 395 708

Note 13 Other Short-Term Debt

The item Other short-term debt includes provisions for possible future service and guarantee obligations. In total, it has been allocated NOK 1 074 737 to meet possible future service and warranty obligations.

Note 14 Related Parties

Transactions with affiliated companies:

The company has made several different transactions with affiliated companies. All transactions are carried out as part of ordinary operations and at arm's length prices.

The most significant transactions are as follows

- 1) Nevion AS has sold goods to Nevion Sp. z o.o for 16 336 TNOK in 2021/2022 and TNOK 24 978 in 2020.
- 2) Nevion AS has purchased goods from Nevion Sp. z o.o for TNOK 97 737 in 2021/2022 and TNOK 77 614 in 2020.
- 3) Nevion AS has sold goods to Nevion USA, Inc. for TNOK 31 072 in 2021/2022 and TNOK 36 920 in 2020
- 4) Nevion AS has sold goods to Nevion Asia Pte Ltd. for TNOK 18 617 in 2021/2022 and TNOK 17 873 in 2020.
- 5) Nevion AS has sold goods to Nevion Ltd. for TNOK 38 687 in 2021/2022 and TNOK 62 051 in 2020.

Note 15 Financial Market Risk

Interest rate risk

The company has no long-term debt at year-end. Countries granted to group companies in USD and EUR are translated at current exchange rates, see note 6.

Currency risk

Nevion AS has more than 90% of its income in foreign currency (EUR and USD).

98% of turnover is in foreign currency, mainly EUR and USD, and sales revenue is recorded at the current exchange rate. The company seeks to the greatest extent possible to reduce currency risk through natural hedging. Purchases of goods are primarily made in EUR and USD, and the operating costs of several of the company's subsidiaries are in the same currencies. The Group did not use currency forward contracts or other financial instruments during the financial year.

Commodity price risk

The risk of fluctuations in prices for electronics components is hedged through long-term forecasts of purchases, as well as the conclusion of strategic agreements with suppliers and other players in the market. Nevion AS has a significant share in its merchandise purchases in EUR and USD.

Note 16 Earnings per share

	2021/2022	2020
Group profit for the year	-64 252 073	-30 089 466
Average number of shares	69 531 969	69 531 969
Earnings per share	-0,92	-0,43

Note 17 Financial items

<i>Financial income:</i>	Nevion AS		Nevion group	
	2021/2022	2020	2021/2022	2020
Interest income from enterprises in the same group	995 434	2 763 301	-	-
Other interest income	12 159	34 506	12 502	41 004
Another financial income	7 633 401	5 991 266	33 124 049	12 276 203
Total financial income	8 640 994	8 789 073	33 136 551	12 317 207

<i>Financial expenses:</i>	Nevion AS		Nevion group	
	2021/2022	2020	2021/2022	2020
Interest cost to enterprises in the same group	-351 419	-	-	-
Impairment shares in subsidiaries	-1 000	-	-	-
Impairment receivable on subsidiary	-81 328 191	-	-	-
Other interest expenses	-122 074	-508 420	-370 151	-567 427
Other financial cost	-27 523 744	-9 078 671	-33 549 892	-17 898 788
Total finance costs	-109 326 428	-9 587 091	-33 920 043	-18 466 215

The items on other financial income and expenses are mainly due to currency effects on intra-group loans in foreign currencies.